



State of California—Health and Human Services Agency
Department of Health Services



ARNOLD SCHWARZENEGGER
Governor

August 3, 2006

TO: All County Board of Supervisors

CC: All County Health Department Directors
All County Welfare Department Directors

SUBJECT: Allocations to Counties for Children's Outreach, Enrollment, Retention and Utilization Activities

The purpose of this letter is to notify counties of the forthcoming allocations for outreach, enrollment, retention, and utilization services to enroll eligible, but not enrolled children in the Medi-Cal and Healthy Families programs. This letter provides an overview of the county allocations and planning and scheduling information.

OVERVIEW

Despite impressive increases in Medi-Cal/Healthy Families enrollment over the past several years, a significant number of California children remain uninsured. Many of these uninsured children are eligible for, but are not enrolled in, California's Medi-Cal or Healthy Families Program. Recent data indicate that there were approximately 780,000 uninsured children in 2003 and over half (55 percent) of these uninsured children (approximately 428,000) were eligible for either Medi-Cal or Healthy Families. Additional efforts are required to enroll these hard-to-reach children and families.

To meet this challenge, the Governor's Fiscal Year (FY) 2006-2007 State Budget funds a new county outreach strategy to enroll and retain eligible children in the Medi-Cal and Healthy Families programs. The budget trailer bill, Assembly Bill 1807, Chapter 074, Statutes of 2006, adds Welfare and Institutions Code §14067.3 to define the scope of the county allocations.

The purpose of the allocation program is to provide funding to counties for targeted outreach, streamlined enrollment, retention and utilization (OERU) activities that will build upon local efforts to enroll eligible, but uninsured children. The State budget designates \$19.68 million in FY 2006-2007 for counties to implement OERU activities. This funding can only be used for OERU activities and use of this funding must meet all conditions for claiming Title XIX and Title XXI funding. In subsequent fiscal years, the allocation funding level is expected to be \$29.68 million subject to legislative approval and annual state appropriations. The designated allocation to counties is the total funds, including State General Fund and federal financial participation.

The State will implement a two level allocation program:

Level 1 Allocations: The majority of funds in FY 2006-2007, \$16.68 million, will be allocated to the counties with the highest number of eligible, but not enrolled children (to address enrollment), and highest Medi-Cal and Healthy Families caseloads (to address utilization and retention). The methodology used to select the top 20 counties for Level 1 funding assigns a heavier weighting to the counties with the highest number of eligible, but not enrolled children. The top 20 counties represent 93 percent of the eligible but not enrolled children. Refer to Attachment 1 for the selection of the top 20 counties based on these criteria.

Level 2 Allocations: The FY 2006-2007 budget appropriates \$3 million to fund Level 2 counties as a set aside of the total appropriation. A county that does not meet the allocation criteria for Level 1 may apply for funding under Level 2, if the county can demonstrate that it has an established infrastructure for children's outreach and enrollment and that it can demonstrate a well established and documented coalitions with organizations such as community-based organizations, schools, clinics, labor organizations and other safety net providers that has been in place for at least twelve months. The State will provide the Level 2 allocation methodology in the forthcoming Request for Plans and Budgets.

PLANNING AND SCHEDULING

The California Department of Health Services (CDHS) will require participating OERU counties to submit a three-year plan and budget for FY 2006-2007; FY 2007-2008, and FY 2008-2009 in order to receive the allocations. On August 25, 2006, CDHS will release a Request for Plans and Budgets to provide detailed instructions for submitting an outreach plan and budget to the State.

Upon completion of the review and approval of the plan and budget, the State will send an approval letter to the county government agency appointed by the County Board of Supervisors.

The county plans and budgets along with the State's approval letter constitute a legally binding allocation agreement. The county government agency must be responsible for fiscal and administrative oversight and accountability of the OERU plan and budget. The appointed county agency may also choose to be responsible for day-to-day project oversight and management of the county's OERU activities. Or, it may contract with a non-governmental entity to oversee this responsibility. More information on the roles and responsibilities of the appointed county agency will be included in the Request for Plans and Budgets.

NEXT STEPS

The California Department of Health Services (CDHS) will request prospective counties to submit a non-binding Letter of Intent, which is provided as attachment 2. These letters can be submitted starting August 3, 2006, to CDHS. Letters of Intent may be sent via email to OERU@dhs.ca.gov or may be faxed to (916) 552-9524, Attention OERU. Please use Attachment 2 for this purpose.

CDHS will release a draft Request for Plans and Budgets on August 10, 2006, and the final version on August 25, 2006. CDHS will accept county's plans and budgets starting September 8, 2006, and will allocate Level 1 county funding in order of the date of plan submission. The State will provide further instructions regarding the Level 2 county allocation plan and budget submission and evaluation in the forthcoming Request for Plans and Budgets.

A tentative schedule is provided in Attachment 3 to assist counties in planning for the forthcoming Request for Plans and Budgets.

CDHS looks forward to working with counties to encourage the enrollment of eligible children into the State's healthcare programs. An informational website has been established for counties to submit questions about the county allocation program. The website address is www.dhs.ca.gov/OERU. You may also contact CDHS county allocation staff via email at OERU@dhs.ca.gov

Sincerely,

ORIGINAL SIGNED BY
Stan Rosenstein, Deputy Director
Medical Care Services

ATTACHMENT 1
Level 1 County Allocations and Methodology

COUNTY	# UNINSURED ELIGIBLE*	MC & HF CASELOADS**	WEIGHTED VALUE U + C/4***	ALLOCATION PERCENTAGE	ALLOCATION YEAR 1	ONGOING ANNUAL ALLOCATION
Los Angeles	135,000	1,384,907	481226.75	36.80%	\$6,140,508	\$9,820,764
Orange	46,000	257,485	110371.25	8.44%	\$1,408,350	\$2,252,431
San Diego	51,000	236,907	110226.75	8.43%	\$1,406,506	\$2,249,482
San Bernardino	33,000	263,668	98917.00	7.56%	\$1,262,191	\$2,018,675
Riverside	32,000	216,758	86189.50	6.59%	\$1,099,788	\$1,758,935
Fresno	11,000	163,284	51821.00	3.96%	\$661,242	\$1,057,551
Sacramento	11,000	159,541	50885.25	3.96%	\$649,302	\$1,038,454
Alameda	12,000	113,230	40307.50	3.89%	\$514,328	\$822,586
Kern	7,000	126,603	38650.75	3.08%	\$493,188	\$788,776
Santa Clara	7,000	117,935	36483.75	2.96%	\$465,537	\$744,552
San Joaquin	7,000	88,661	29165.25	2.79%	\$372,152	\$595,198
Tulare	5,000	87,409	26852.25	2.23%	\$342,638	\$547,995
Stanislaus	5,000	69,715	22428.75	2.05%	\$286,193	\$457,721
Ventura	5,000	69,242	22310.50	1.72%	\$284,685	\$455,308
Monterey	6,335	52,620	19490.00	1.71%	\$248,695	\$397,747
Contra Costa	3,000	60,279	18069.75	1.49%	\$230,572	\$368,763
Santa Barbara	7,000	43,154	17788.50	1.38%	\$226,983	\$363,024
Merced	5,000	45,927	16481.75	1.36%	\$210,309	\$336,356
San Mateo	7,000	35,114	15778.50	1.26%	\$201,335	\$322,004
San Francisco	2,000	48,582	14145.50	1.21%	\$180,498	\$288,678
Sub Total	397,335	3,641,021	1307590.25	100%	\$16,685,000	\$26,685,000

*The UCLA Center for Health Policy Research derived this data from California Health Insurance Survey data.
 **Medi-Cal Caseload for month of June 2005, CDHS Fiscal Forecasting and Data Management Branch. Healthy Families Caseload by County, September 2005, Healthy Families Report MM-002.
 *** Weighted Value: Uninsured count + (caseload count divided by 4)

ATTACHMENT 2
Letter of Intent
Allocations to Counties for
Children's Outreach, Enrollment, Retention and Utilization Activities

Purpose	This is a <u>non-binding</u> Letter of Intent whose purpose is to assist CDHS in determining the staffing needs for the evaluation process for the County Allocation Program for Outreach, Enrollment Retention and Utilization activities.
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Information requested	CDHS is interested in knowing if your county intends to submit the Three Year County Allocation Plans and Budgets. Please identify your county in the section below.
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Action to take	Indicate the county's intent to submit Plans and Budgets by checking items 1 or 2 below. Counties may submit their Letter of Intent starting August 3, 2006, to CDHS. A PDF version of the <u>signed</u> Letter of Intent may be sent via email to OERU@dhs.ca.gov or may be faxed to (916) 552-9524, Attention OERU
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Level 1 or Level 2 County name: (i.e. Fresno County)

1. ☐ **The county I represent intends to submit the Three-year County Allocation Plans and Budgets**

Name of County Agency that will be responsible for fiscal and administrative oversight and accountability of the OERU plan and budget _____

Will this Agency oversee the day-to-day OERU activities? []yes []no

If no, please list name of non-governmental entity _____

2. ☐ **The county I represent does not intend to submit the Three-Year County Allocation Plans and Budgets**

Indicate the reason for not responding to the Request for Plans and Budgets:

Printed Name of County Representative:

Title and County Agency Represented:

Signature:

Date:

ATTACHMENT 3
Tentative County Allocation Schedule

<i>EVENTS</i>	<i>DATES</i>
Informational Notice posted on CDHS website	August 3
Counties May Submit Letter of Intent	August 3
Draft Request for Plan and Budget posted on the CDHS website for county review and comments	August 10
Comments due to CDHS	August 17
CDHS Releases final Request for Plans and Budgets	August 25
Teleconference with counties to respond to questions	TBD
CDHS will begin accepting county plans and budgets for review and evaluation	September 8
CDHS sends Approval Letters to counties in the order plans were submitted.	September 29